

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1740

Introduced by Assembly Member Alejo

February 1, 2016

An act to ~~amend Section 8169 of~~ *add Section 8924.7 to, and to add Chapter 1.5 (commencing with Section 8050) to Division 1 of Title 2 of, the Government Code, relating to state ~~property~~ government.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1740, as amended, Alejo. ~~State property: Capitol Area Plan. California Law Fellowship Program.~~

Existing law authorizes certain internship and fellowship programs in state government.

This bill would establish the California Law Fellowship Program for the purpose of offering licensed attorneys and other qualifying law school graduates limited-term placements in public sector positions within state government as California Law Fellows, and encouraging each participant fellow to seek permanent public-sector employment at the conclusion of his or her fellowship, as specified.

Existing law, commonly known as the Code of Ethics, prohibits a Member of the Legislature or an employee of either house of the Legislature from receiving or agreeing to receive, directly or indirectly, any compensation, reward, or gift from any source except the State of California for any service, advice, assistance, or other matter related to the legislative process, except for specified circumstances.

This bill would provide that the services of a participant in the California Law Fellowship Program Fellow are not compensation, a reward, or a gift to a Member of the Legislature for purposes of the

so-called Code of Ethics. The bill would also provide that a participant in the program is not an employee of either house of the Legislature for purposes of the Code of Ethics.

~~Existing law designates the Capitol Area Plan approved by the Director of General Services as the official state master plan for development in the City of Sacramento's central city area. Existing law requires the plan to be used as a guide for the location of state buildings and other facilities in the metropolitan area. Existing law governs the lease or sale of real property covered by the plan that is owned by the state and not under the jurisdiction of any other state agency.~~

~~This bill would make nonsubstantive changes to those lease and sale provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. The Legislature finds and declares all of the*
- 2 *following:*
- 3 *(a) California has the eighth largest economy in the world, and*
- 4 *its laws have a far-reaching impact on individuals, entities, and*
- 5 *organizations within the state and throughout the world.*
- 6 *(b) Because of its extraordinary economic impact and leadership*
- 7 *on timely issues, California's statutory framework and legal*
- 8 *structures have a national and global impact.*
- 9 *(c) Rapid technological and societal advances require the*
- 10 *development of public policy in new and evolving areas.*
- 11 *(d) State government officials must make informed policy*
- 12 *decisions about issues that have increasingly complex and*
- 13 *interrelated legal components.*
- 14 *(e) California is home to some of the world's most prestigious*
- 15 *universities and law schools.*
- 16 *(f) California is currently facing one of the largest surpluses of*
- 17 *recent law school graduates in the nation, and the unique education*
- 18 *and training of these skilled graduates could greatly assist the*
- 19 *state government in its work.*
- 20 *(g) Only approximately 5 percent of attorneys nationwide work*
- 21 *for state governments, meaning that the nation's state governments*
- 22 *derive insufficient benefit from those attorneys' legal training and*
- 23 *expertise.*

1 (h) Approximately 36 percent of attorneys working for the State
2 of California are 55 years of age or older; therefore, California
3 must encourage attorneys to enter public service to fill vacancies
4 as those attorneys retire.

5 (i) The establishment of a law fellowship program in California
6 will enable the state to capitalize on the experience of its law school
7 graduates for the betterment of its government.

8 SEC. 2. Chapter 1.5 (commencing with Section 8050) is added
9 to Division 1 of Title 2 of the Government Code, to read:

10
11 CHAPTER 1.5. CALIFORNIA LAW FELLOWSHIP PROGRAM
12

13 8050. (a) The California Law Fellowship Program is hereby
14 established.

15 (b) The purpose of the program is to offer licensed attorneys
16 and other qualifying law school graduates limited-term placements
17 in public sector positions within state government.

18 (c) The program shall provide each California Law Fellow with
19 the opportunity to work in the public sector and shall encourage
20 each participant to seek permanent public-sector employment at
21 the conclusion of the fellowship.

22 (d) The Legislature requests that The University of the Pacific
23 McGeorge School of Law, in consultation with California law
24 schools accredited by the American Bar Association, and with any
25 other appropriate person or entity, do all of the following with
26 respect to the California Law Fellowship Program:

27 (1) Create the program to provide law graduates a
28 post-graduate educational experience and provide the Legislature
29 and other governmental entities with legal assistance and advice.

30 (2) House and administer the program, including managing
31 funding and processing applications.

32 (3) Give preference to applicants who are either of the
33 following:

34 (A) Current members of the United States military.

35 (B) Former members of the United States military who were
36 honorably discharged.

37 (e) A California Law Fellow's placement with a state agency
38 shall be contingent on that agency's acceptance of the fellow,
39 according to criteria adopted by the participating state agency for
40 purposes of the program.

(f) (1) *It is the intent of the Legislature that participation in the program by an attorney or other qualifying law school graduate, by a state agency, or by a public official within a state agency shall not constitute a gift of public money or thing of value for purposes of Section 6 of Article XVI of the California Constitution, a gift for purposes of the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)), or a gift, bequest, or favor for purposes of the Code of Judicial Ethics adopted pursuant to subdivision (m) of Section 18 of Article VI of the California Constitution.*

(2) *To the extent feasible, the program shall be designed and administered to accomplish the Legislature's intent as specified in this subdivision.*

(g) *State funds shall not be used to administer the program.*

(h) *For purposes of this section:*

(1) *"California Law Fellow" means a participant in the program.*

(2) *"Program" means the California Law Fellowship Program.*

(3) *"Qualifying law school graduate" means a recipient of a law degree from a law school accredited by the American Bar Association.*

8924.7. (a) *The Legislature finds and declares that the California Law Fellowship Program, established pursuant to Chapter 1.5 (commencing with Section 8050) of Division 1, establishes a formal fellowship program that provides substantial public benefits to the Legislature as a participating state agency.*

(b) *The services of a participant in the California Law Fellowship Program California Law Fellow, whose placement with the Legislature is accepted duly authorized by the Senate Committee on Rules, the Assembly Committee on Rules, or the Joint Committee on Rules, as appropriate, are not compensation, a reward, or a gift to a Member of the Legislature for purposes of paragraph (4) of subdivision (b) of Section 8920.*

(c) *A participant in the California Law Fellowship Program California Law Fellow, whose placement with the Legislature is accepted duly authorized by the Senate Committee on Rules, the Assembly Committee on Rules, or the Joint Committee on Rules, as appropriate, is not an employee of either house of the Legislature for purposes of this article.*

1 (d) For purposes of this section, a California Law Fellow is
2 “duly authorized by the Senate Committee on Rules, the Assembly
3 Committee on Rules, or the Joint Committee on Rules” only if both
4 of the following requirements are satisfied:

5 (1) The California Law Fellow has been selected according to
6 criteria, and pursuant to a process, approved by the Senate
7 Committee on Rules, the Assembly Committee on Rules, or the
8 Joint Committee on Rules.

9 (2) The program has executed an agreement with the Senate
10 Committee on Rules, the Assembly Committee on Rules, or the
11 Joint Committee on Rules whereby the California Law Fellow is
12 bound to abide by standards of conduct, economic interest
13 disclosure requisites, and other requirements specified by the
14 Senate Committee on Rules, the Assembly Committee on Rules, or
15 the Joint Committee on Rules.

16 SECTION 1. Section 8169 of the Government Code is amended
17 to read:

18 ~~8169. (a) The director may lease the real property owned by~~
19 ~~the state within the core area, and not under the jurisdiction of any~~
20 ~~other state agency, for purposes consistent with the Capitol Area~~
21 ~~Plan and the management thereof, for the term and upon terms and~~
22 ~~conditions that the director deems to be appropriate. A lease shall~~
23 ~~provide that any property subsequently leased by a joint powers~~
24 ~~authority for which a lease or rental for a period of five years or~~
25 ~~more is contemplated, shall be advertised and awarded utilizing~~
26 ~~for the purpose the same procedure followed by the director for~~
27 ~~other state properties. The director's authority to lease real property~~
28 ~~under this section shall include, but not be limited to, the authority~~
29 ~~to lease portions of buildings and facilities occupied or to be~~
30 ~~occupied in part by state agencies, to private parties, and other~~
31 ~~public agencies for office, residential, parking, and commercial~~
32 ~~uses consistent with the Capitol Area Plan.~~

33 ~~(b) (1) The director may sell real property that is owned by the~~
34 ~~state within the Capitol Area Plan area that is not under the~~
35 ~~jurisdiction of any other state agency and that is designated for~~
36 ~~residential and commercial purposes in the 1997 update of the~~
37 ~~plan. If the director sells property under this section, that property~~
38 ~~shall be sold at its fair market value to the joint powers authority~~
39 ~~created pursuant to Section 8169.4 for resale and use in the~~
40 ~~development of residential and commercial properties consistent~~

1 with the Capitol Area Plan. In addition, any property sold under
2 this section shall not diminish the number of existing dwelling
3 units or subsequently developed units that are required to be made
4 available to low-income households pursuant to Section 8193. For
5 the purposes of Section 8193, an existing residential dwelling unit
6 or a subsequently developed unit located on land sold pursuant to
7 this section shall continue to be included in the determination of
8 the total number of dwelling units located on property leased by
9 the joint powers authority created pursuant to Section 8169.4.

10 (2) The director shall not sell any existing residential properties
11 pursuant to this subdivision that are under the management of the
12 joint powers authority created pursuant to Section 8169.4 unless
13 that sale is part of an overall development plan that will lead to a
14 net increase in residential units on the affected site or sites.

15 (3) In addition, the director shall not sell any existing residential
16 properties pursuant to this subdivision that are under the
17 management of the joint powers authority created pursuant to
18 Section 8169.4 unless a deed restriction is recorded against the
19 properties that contains an express condition and covenant that the
20 real property conveyed shall be used only for residential purposes
21 for a period of at least 45 years. "Residential purposes" means the
22 same or substantially similar multifamily, single-family, or
23 condominium use, or a mixed use, with the same or greater number
24 of residential units on the affected site. The terms of the restriction
25 are for the benefit of the public at large and for the benefit of all
26 parcels of land located within the boundaries of the Capitol Area
27 Plan. The residential use required by this subdivision shall bind
28 all successive owners of the property for a period of 45 years from
29 the date the property is conveyed by the joint powers authority.

30 (e) With respect to residential leases, the director's authority
31 included in this section shall not extend beyond the Capitol area.
32 The director shall ensure that tenants residing within the Capitol
33 area are not involuntarily displaced as a result of leases executed
34 after January 1, 1978. The director's authority shall also include
35 the authority to enter into long-term leases not to exceed 60 years
36 and to pledge, subordinate, hypothecate, or to permit the
37 assignment of these leases in connection with financing to be
38 obtained by any lessee or sublessee.

39 (d) The director shall not execute a sales agreement or lease
40 agreement for a term lease of more than five years between the

1 ~~state and another entity, enter into a joint powers agreement, or~~
2 ~~issue revenue bonds or notes of evidences of indebtedness offered~~
3 ~~by the joint powers authority, if the agreement concerns~~
4 ~~state-owned property in the County of Sacramento or the County~~
5 ~~of Yolo, unless not less than 30 days prior to its execution he or~~
6 ~~she notifies and provides an economic analysis of the proposed~~
7 ~~sale to the Members of the Legislature who represent the Capitol~~
8 ~~area and the chairman of the committee in each house of the~~
9 ~~Legislature that considers appropriations, the chairman of the~~
10 ~~appropriate policy committee in each house, and the Chairman of~~
11 ~~the Joint Legislative Budget Committee, or his or her designee, in~~
12 ~~writing of his or her intention to execute such an agreement. The~~
13 ~~chairman of the committee or his or her designee may determine~~
14 ~~a lesser notification period prior to execution. The director shall~~
15 ~~provide a copy of the notice to any person who requests the director~~
16 ~~in writing for the notice.~~

17 (e) ~~The Legislature hereby finds that it will be of broad public~~
18 ~~benefit to stimulate development of residential and commercial~~
19 ~~components of the Capitol Area Plan. Therefore, the director may~~
20 ~~sell property to the joint powers authority created pursuant to~~
21 ~~Section 8169.4 at a price that is determined to be its fair market~~
22 ~~value and terms that have been determined to be appropriate to~~
23 ~~stimulate timely development to meet the goals set forth by the~~
24 ~~Legislature in the 1997 update of the Capitol Area Plan. The~~
25 ~~Capitol Area Development Authority may request these sales after~~
26 ~~providing the director with appropriate economic analysis in~~
27 ~~support of the value at which property is to be conveyed. The~~
28 ~~director may approve the sale of the property if he or she concurs~~
29 ~~with the economic analysis.~~

30 (f) ~~The Legislature hereby finds that it will be of broad public~~
31 ~~benefit to lease some residential units in the Capitol area to persons~~
32 ~~and families of low or moderate income, as defined by Section~~
33 ~~50093 of the Health and Safety Code, for less than prevailing~~
34 ~~market rental rates. Therefore, the director may rent or provide for~~
35 ~~the rental of residential facilities to persons and families of low or~~
36 ~~moderate income for less than market rental rates and enter into~~
37 ~~long-term ground leases at nominal or below market rental rates~~
38 ~~when the director deems it will benefit these persons and families.~~

39 (g) ~~All leases of state-owned property in the core area to any~~
40 ~~private person for other than parking shall be subject to possessory~~

1 interest taxes in accordance with Chapter 1 (commencing with
2 Section 101) of Part 1 of Division 1 of the Revenue and Taxation
3 Code.
4 (h) The net proceeds of any moneys received from the
5 disposition of any state parcels sold pursuant to subdivision (b)
6 shall be deposited into the General Fund. The department shall be
7 reimbursed for any cost or expense incurred in the disposition of
8 any parcels.

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